## Submission No 6

## Inquiry into Australia's Relationship with Timor-Leste

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Joint Standing Committee on Foreign Affairs, Defence and Trade Foreign Affairs Sub-Committee



Centre for Citizenship, Development and Human Rights

Australian Parliamentary Inquiry into Relations with Timor-Leste

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Australia's relationship with Timor-Leste has been an inconsistent one but, despite some partisan positioning, has considerably improved since the events within Timor-Leste in 2006. In particular, as Timor-Leste's close neighbour and largest development aid provider, Australia looms large in Timor-Leste's international orientation.

Because of the relative size and potential capacity to influence, Australia's decisions can sometimes have, or be seen to have, disproportionate effect within Timor-Leste. Responses from within Timor-Leste, either directly or indirectly, can in turn sometimes be disproportionate by way sub-consciously redressing that perceived imbalance. This has, in the past, led to some difficulties in the bilateral relationship, if of a largely symbolic kind.

However, formal relations between the two countries have remained strong and there is a growing maturity in the relationship on both sides, reflected in a greater mutual appreciation of each other's interests, perspectives and needs.

Importantly, too, because Australia was home to a significant proportion of the solidarity movement that supported independence for Timor-Leste during the period of occupation and because Timor-Leste has since been the home to arguably Australia's strongest community to community network ('Friendship' network), there remains a remarkably close and often detailed relationship between many Australians and many Timorese. Moreover, since 1975 (and perhaps before), Timor-Leste has resonated deeply among a large proportion of the Australian population, arguably in a way that no other place has done. 14 years after Timor-Leste voted for independence and 11 years after it was formally achieved, Timor-Leste continues to occupy a place in the Australian public imagination much larger than its actual size or objective importance (considerably though that is) would imply.

Australia formally has a strong commitment to helping ensure stability and security in Timor-Leste, as demonstrated by Australia's substantial aid program and its recent history of commitment to the International Stabilisation Force and in other areas.

From Timor-Leste's perspective, it is a small and strategically vulnerable state that finds its principle security not in any specific relationship but in engaging as much as possible with the wider global community, in particular through multilateral fora. Timor-Leste does enjoy strong relations with a number of specific countries, including (not in order) Australia, New Zealand, Indonesia, Portugal, Brazil, China, the US and Japan. These relations are of varying direct importance, but each sits within a constellation of relationships that allows Timor-Leste to seek support in differing and sometimes not mutually advantageous quarters. The benefit of this strategy is that it allows Timor-Leste a degree of independence that might otherwise be compromised by excessively close relations with any one country (or strategically aligned cluster of countries). Australia should not be concerned with this strategy, but rather understand Timor-Leste's desire for a wide range of friendships and actively support that.

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More importantly, however, for Timor-Leste, is that it seeks to involve itself in multi-lateral institutions, notably the UN in the first instance, but is also making considerable efforts to become accepted into ASEAN, in which it has some supporters (including Indonesia, but not Singapore) and which will probably eventually accede to this request. Timor-Leste should continue to also be supported for its multilateral engagement, both for its longer term international engagement and such opportunities that might bring, and in particular to secure its long term security among a multitude of states rather than with particular states.

In particular, while Australia and Timor-Leste enjoy good and maturing relations, there are a number of steps that the Australian government could take in order to further enhance the depth and strength of that relationship.

1. The Australian government should give strong consideration to officially recognising, through a motion passed in Parliament, the role played and the substantial sacrifices made by the people of Timor-Leste in supporting Australian military forces in the defence of Australia in 1942. Further to this point, it should give full consideration to re-naming Australian scholarships to Timor-Leste students in recognition of the role played by the people of Timor-Leste as a continuing reminder of the historical and close relations that exists between the two countries (e.g. 'Sparrow-Creado Scholarships' or similar).

2. The Australian Government should negotiate in good faith and under the terms of the UN Convention on the Law of the Sea with the Government of Timor-Leste over any future discussion over the sea boundary between the two countries. While there are competing claims as to whether UNCLOS I (mid-point between shorelines) or UNCLOS III (edge of continental shelf) should apply, to the extent that there might be disagreement, Australia should submit itself and comply with the rulings of the International Court of Justice. Any such negotiation or adjudication should remain consciously quarantined from the wider bilateral relationship between the two countries.

3. The Australian government should commit to continuing the current levels and extent of its aid program to Timor-Leste. Australia's aid program to Timor-Leste remains critical to that country's future stability and development, and it is in Australia's 'enlightened self-interest' to continue to support Timor-Leste at current levels of aid, as a good neighbour, a good international citizen and because a stable and developing Timor-Leste as a neighbour is in Australia's regional interest. In particular, Australia should continue to cooperate closely with the government of Timor-Leste and other aid providers to ensure that aid matches Timor-Leste's development strategy and goals, and is coordinated with other aid providers to ensure minimal overlap.

While sustainability and 'grass roots' participation are givens in the broader development paradigm, it is critical that these two factors be front and centre of Australia's development assistance. Grass roots or 'bottom up' development is necessary to ensure that the benefits of aid programs reach the people it is intended to assist and responds appropriately to their lives needs. Sustainable development is necessary to ensure that aid that is delivered is able to continue to provide benefits to its recipients after the aid provider has departed, and does not replace and then abandon previously sustainable systems (e.g. water supply, agriculture).

4. Encourage and support Australian businesses to invest in Timor-Leste, especially in employment creation industries such as agriculture and tourism. Australia has an opportunity to invest in Timor-Leste in future growth areas, in specific areas of industry and in tourism. Australia's aid program should assist the government of Timor-Leste with standardising and simplifying investment procedures and to offer security through consistent and equal rule of contract law to help ensure that such investments are not subject to the vagaries of bureaucratic and legal application.

5. Support and extend Timor-Leste Seasonal Workers and training programs in Australia. At the time of writing, Australia had agreed in principle to extend its guest workers program to Timor-Leste. This program has the benefit of providing labor to sectors of Australian industry (e.g. agriculture) in which there is little interest in Australia, while making available to Timor-Leste the

benefit of remittances which make a direct benefit to their local communities. This project should be developed and extended to ensure that there are no areas of Australian industry, especially seasonal industry, that are left wanting for labor at peak times .

6. Encouragement and support for community to community relations between Australia and Timor-Leste, through Friendship groups, service organisations (e.g. Rotary), church groups, educational/school tours and other people to people relations. Australian community organisations with close links to Timor-Leste operate independently of government, often achieving very substantial results and helping to build close bilateral relations in a way that would be the envy of most other bilateral programs. However, from time to time their programs would benefit from the availability of government assistance, for example with conferences and community meetings. To this end, community groups should be formally recognised as contributing to the bilateral relationship and provision made for them to be able to seek AusAID or related assistance from time to time for specific and clearly defined purposes.

7. There has been discussion of a formal Australia-Indonesia defence alliance, which is unlikely for mutual domestic political reasons. However, a closer strategic arrangement could be reached in cooperation with Timor-Leste as a third partner. Despite their problematic history, Timor-Leste has been moving towards closerlinks with Indonesia, in particular through training of the Timor-Leste police (PNTL) with Indonesian police (Polri), and the development of military-to-military links with Indonesia, including proposed military training. Given the potentially problematic domestic orientation of Timor-Leste's military (F-FDTL), Australia's strategic interest in ensuring that Timor-Leste remains stable in the post-UN period could be enhanced by refocusing F-FDTL externally through a tripartite security agreement/treaty between Australia, Indonesia and Timor-Leste. In particular, extending officer training programs for Indonesia and Timor-Leste defence personnel would both assist their professionalisation and enhance both links and cross-cultural understandings between the defence forces of the three states.